

City of Cambridge
Climate Protection Action Committee

Minutes
December 9, 2021

Attendees: Melissa Chan (chair), Tom Chase (secretary), David Rabkin, Keren Schlomy, Lyn Huckabee, Peter Crawley, Rosalie Anders, Ted Live, Trisha Montalbo, Julie Wormser, Keith Giamportone, Paula Phipps, Lauren Miller; *staff:* Seth Federspiel, John Bolduc, Nikhil Nadkarni

Guests: John Hayes, Michael Brandon

Minutes

The minutes of November 16, 2021 were approved.

Director's report:

- CDD is updating open space plan—see bulletin re: meetings
- Bringing on two staff people in January. First, replacing Bronwyn is a person from Center for Sustainable Energy. He'll help with Net Zero transportation planning. Second position is new, to administer BEUDO. Annual administration and technical support. She is coming from experience with green labs programs.

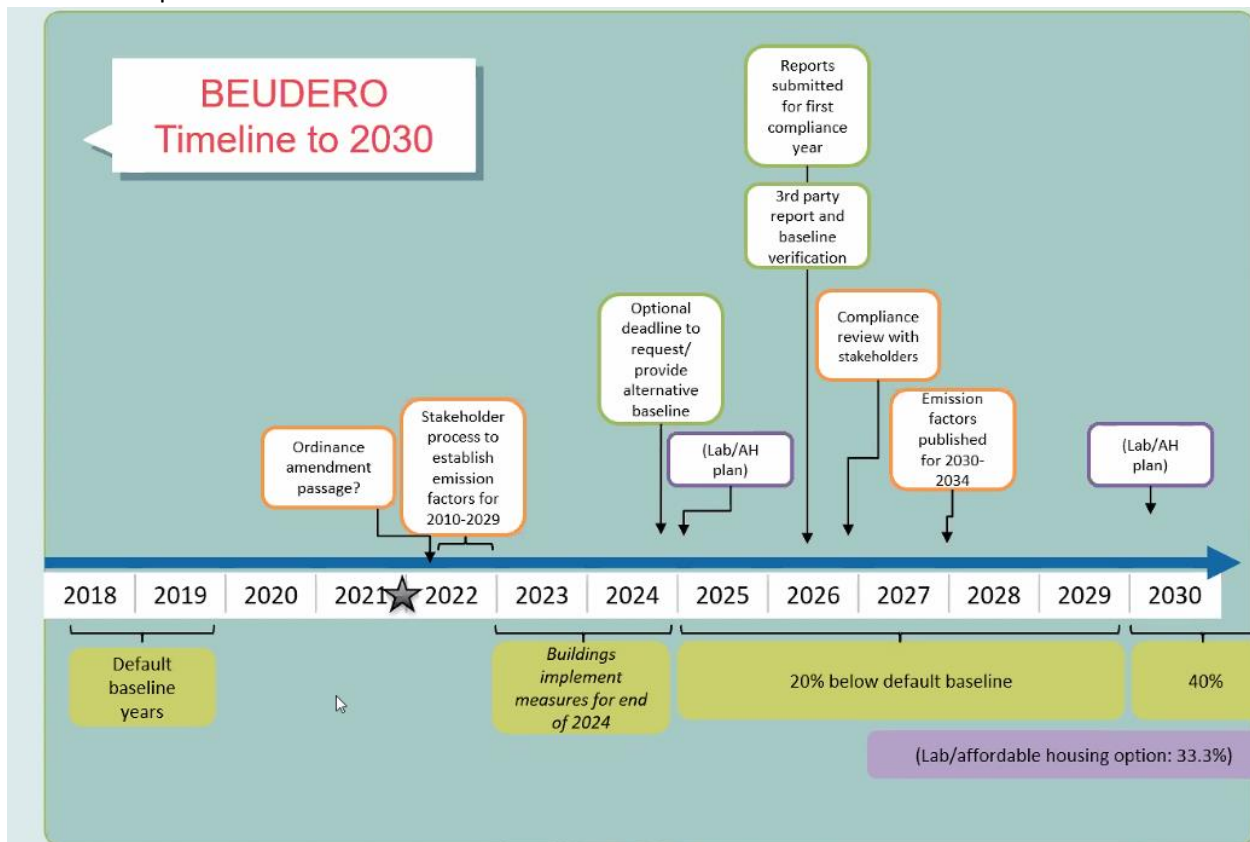
BEUDERO letter—Peter Crawley (please attach)

- Net Zero Task Force met four times. Couldn't solve all of the challenges needed to get Cambridge to net zero by 2050, but it's a solid framework, but more work is needed to close the gap to roll up to net zero carbon emissions using standard case assumptions.
- Final report is yet to come out—final draft will be sent to task force members for one last round of comments.
- Will discuss core piece of Net Zero Action Plan (NZAP) tonight—BEUDERO plus greening of the grid-- b/c gets us closest to net zero out of all actions. Responsible for 2/3 of carbon reduction by 2050. Lynchpin of NZAP. Other than new construction, it's the only mandatory action for existing buildings except for non-BEUDO buildings at point of sale/transaction.
- Modeling presented with early draft was preliminary—are working to make it more accurate for final report. Will get more precise 2030/2050/BEUDO numbers.

Going over the CPAC letter:

- Might think of BEUDERO in phases. Think of what City Council passes in the next three months as a really good starting point that reflects political challenges. Next is five year review in 2026.
- Seth showed timeline (below) for BEUDO compliance. Best case is ordinance is adopted Q1 2022. Will then have 2-3 years until first performance threshold. What are they able to achieve during this timeframe? 2026—first annual set of data comes in from 2025 (measures installed end of 2024). Commitment to review policy, engage City Council and stakeholders in 2026.
- Worth keeping administrative complexity in mind, legal challenges, keeping things moving viz a viz tradeoffs.

- Letter—all text in black has been reviewed extensively. All red text highlights discussion/ decision/ tradeoff points.



- Discussion point 1:** Group (Peter, David, Tom, Keith) initially preferred emissions intensity (tons per square foot) approach as Boston is doing vs. Cambridge recommendation of percentage reduction over time. Thought would push emissions reductions early, creating same targets for new vs. old buildings. In talking it through with staff, understood disadvantages. Thresholds complicated, subject to political pressure. Arguably places highest burdens of buildings that have already done the most to reduce emissions. Percentage reduction more politically palatable and if schedule is high enough, will potentially be even faster. With that as a possibility, group more comfortable with this strategy. So: should it go faster, and should it be based on total reductions, relative reductions or a mix. Also a challenge—if building expands, could change intensity per square foot in weird ways. **Decision:** discuss targets and come back to this point if necessary.
- Discussion point 2:** Looked at individual building level targets—percentage reduction over time. Concerned that it doesn't go fast enough (40% by 2030). Also concerned about: total sector reduction, not individual building per se. Want buildings as a group to hit the target despite the fact that new buildings are being built and they are also emitting carbon. Want to make sure that BEUDERO buildings as a whole actually reach their fair share of the science-based goal. That may mean that buildings need to be more aggressive. If make these goals more aggressive, don't need to make any other changes.

For those buildings that are newer, efficient and covered by this, they will be required to reduce at the same rate as those that are very inefficient. There's a fairness aspect to setting a benchmark threshold. Denver policy is similar. Highly efficient buildings don't necessarily have to do anything. Are we being too lenient on the laggards and too hard on the efficient buildings? For new buildings, proposed BEUDERO ordinance gives a long grace period—set baseline in two years, then five years to hit relative reduction requirement to get to zero by 2050. If instead, used threshold emissions/area benchmark, new buildings would be captured. Also—new buildings are already supposed to be net zero. State coming out with net zero stretch code in 2022, which Cambridge will adopt.

Background of relative vs. absolute emissions target. Building owners had strong preference for everyone setting own baseline and reducing vs. their baseline. Thought that single threshold for each sector (labs, residential, etc.) would be too difficult because there's a wide variation in performance.

Threshold can unfairly penalize buildings with e.g., high occupancy rates. Policy is about emissions, not energy. All buildings in Cambridge need to get to zero emissions by 2050. More efficient buildings will have relatively lower emissions to reduce. Absolute emissions are more likely to be legally challenged as arbitrary. Ratchetting up percentages is less likely to cause a legal challenge; regulated community recognizes that they can do this.

Do we go with thresholds or baseline percentage reduction approach? We seem to be leaning toward baseline percentage reduction approach, asking the city to investigate recommendations for addressing buildings that are way out of line re: emissions and getting them to reduce more quickly. We do have initial data on high emitters, but don't know why they're outliers yet. It may be a lot of work for not a lot of gain to figure this out. So:

Recommendation: We support the City's proposal to use a baseline percentage reduction approach. As part of the ordinance review, we also request that the city investigate whether a defined subset of high-emission buildings could be identified and evaluate whether setting more stringent standards for those buildings would materially accelerate the achievement of the ordinance's goals for the overall sector. David moved, Peter seconded. Accepted unanimously.

David: continue to be concerned that the ordinance as proposed doesn't achieve the sector-wide science-based targets. Seth—waiting on the latest results, but doesn't seem to be far off, both because of improvements in average BEUDO building and because of greening of the grid. Peter: need to see modeling, assumptions.

Discussion Point 3: Is the Alternative Compliance Payment high enough to prevent owners from paying instead of improving? Does it need to be ratchettted up more often than every five years and phased out altogether? Concerned re: legal snags if we set it too high.

Recommendation: We support the ACP being increased after the first compliance review if it is found to be being overused to avoid emissions reductions. It should be phased out before 2050. (no vote taken—will be wordsmithed)

Discussion Point 4: We would like to see more large buildings phased into BEUDO 25,000 sf -> 20,000 sf, and 50 units to 15 units by 2030. Seth—don't think this will make a big difference (est 3% gain). Keith—don't have data for these buildings. Need to start reporting by next cycle? John: concerned that

Recommendation: that the city get some data and in the 2026 review evaluate whether it makes sense to go through a similar process with >20,00SF, >15-unit buildings as they did with larger property owners to possibly pull those smaller buildings into benchmarking and percentage reduction at a later date. (no vote taken—will be wordsmithed)

Discussion Point 5: Require buildings to eliminate on-site burning of fossil fuels?

Recommendation: To request that CDD, in tandem with BEUDERO, pursue the elimination of burning fossil fuels (e.g., through a Home Rule petition). (no vote taken—will be wordsmithed)

Discussion Point 6: Restrict Alternative Baselines to 2015 or earlier.

Recommendation: No recommendation—we think this is already dealt with.

Discussion Point 7. Lab buildings should be based on criteria beyond SF/air exchange rate to ensure we don't catch up other buildings (like auto body shops).

Recommendation: Make sure that the definition of what constitutes a lab building is clear and doesn't inadvertently include other uses. (no vote taken—will be wordsmithed)

Discussion Point 8: Have an independent BEUDERO oversight advisory group that doesn't include regulated entities but does include a member of CPAC. Avoid committee/board, which has specific requirements.

Recommendation: That a financially disinterested, independent BEUDERO advisory body review concerns such as hardship exemptions to ensure that decisions are public and transparent. This could also be CPAC or a subcommittee of CPAC. (no vote taken—will be wordsmithed)

Discussion Point 9: Need to ensure that CDD has the funds needed to enforce the program, as well as providing technical and financial support for buildings to comply.

Motion: for subcommittee to finalize the letter subject to review by John and Seth before being sent to the City Manager. Melissa motioned, Julie seconded, unanimously approved.

Notes by Julie Wormser